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ABSTRACT

This analysis initiates Georgian Court College administrative effort to assess the impact of the college on the local economy. As sources of economic impact, specific attention is given to: number of persons employed by the college; amount of money expended by the college (salaries, locally delivered goods and services, and locally produced utilities); amount of money expended locally by administrators, faculty and students; and amount of local property taxes paid by the college. The study also examines the effect of college-related enterprises, college banking practices, and local purchases by local businesses in support of their college-related business volume. The study is intended to serve as a model for periodic measurement of these and other local economic impacts. Following a profile of the institution and the local economy, the literature on the subject is reviewed, and the multiplier concept and the college as a participant in the local economy are discussed. Supporting data concerning college statistics and the demographics and economic status of the local area are provided in charts, and the measurement and calculations on all of the economic indicators are summarized. The college's mission statement and a data collection guide are appended. The document concludes with an annotated bibliography of 18 items and 16 additional references. (KM)

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THE LOCAL ECONOMY

HE 021 577

THE ECONOMIC IMPACT OF GEORGIAN COURT COLLEGE ON THE LOCAL ECONOMY

by

EDWARDA BARRY, R.S.M., Ph.D.
PROJECT DIRECTOR

Funded by the
New Jersey Department of Higher Education

MAY 1987

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Special thanks to Dr. Vincent Meola for graphics and to Ms. Mary Cranwell, Mrs. Elaine A. McCormick, and Mrs. Jeanne Hough for technical and secretarial assistance.

INTRODUCTION: BACKGROUND OF PROJECT AND ACKNOWLEDGMENTS

This study initiates a Georgian Court College administrative effort to assess the impact of the college on the local economy, and represents one of many demonstrations of an overall institutional commitment to the development of improved methods of assessment and increased performance accountability.

The study of economic impact is undertaken for its intrinsic value, and in response to the urgings of state and national leaders for such studies (as set forth in major reports published in the past three years). More immediately, the study is occasioned by a grant program offered through the Community/Society Outcomes Subcommittee of the New Jersey FY 1987 College Outcomes Evaluation Program and funded by the New Jersey Department of Higher Education.

The monies awarded, the sense of direction, the supporting materials, and the encouragement provided by the COEP staff itself were strong incentives to undertake a type of project new to Georgian Court College research activities.

Georgian Court College is grateful for the opportunity and motivation provided by the College Outcomes Evaluation Program. The college applauds the creation of COEP by the New Jersey Board of Education for the two-fold purpose of demonstrating to decision-makers and to the public the contributions of higher education to the people of New Jersey and of fostering excellence in the higher educational system in the state.

The Project Director of this economic impact study acknowledges the contributions of the Georgian Court College faculty who served as members of the Project Task Force: Mr. Vincent Costigan, Ph.D., Assistant Professor in Business Administration, and Mr. Dennis Richardson, M.A., Assistant Professor in Sociology.

Thanks are also due to: Mrs. Mary Meola, M.L.S., Reference Librarian, for her assistance with the search of related literature and the compilation of the bibliography; Mr. G. Jeremiah Ryan, Vice-President for Institutional Advancement, Monroe Community College, New York, and Mr. Richard Parrish, Director of Institutional Research at Ocean County College, New Jersey, for their willingness to serve as consultants.

THE PROJECT: A GENERAL DESCRIPTION OF THE STUDY

The proposal for this study of the impact of Georgian Court College on the local economy is classified by the Subcommittee on Community/Society Outcomes as a Type II proposal. As defined in the Request for Proposals, Type II proposals "develop assessment programs based upon the use of procedures and data which may not be currently utilized at their institution, replicating successful programs seen across the state and nation." Type II proposals are described as "the equivalent of small planning grants which seek innovation at the local level."

As a planning proposal funded for a ten-week time frame, the most valuable contribution of this project to Georgian Court College is that it presents a base on which to build more comprehensive and more sophisticated economic assessment procedures. At the same time, the study introduces a dimension of self-awareness to which the college has given scant attention in previous years. The study serves to extend the glossary of terms used by the college for outcomes assessment by the addition of concepts descriptive of economic impact, and it expands the college library of outcomes references by the acquisition of articles and reports on the topic of economic impact.

In focusing on a selected geographic area of impact, the research leads to demographic assumptions which have implications for overall strategic planning at Georgian Court College; it also directs attention to the interdependence of the college and its host locale.

This project gives specific attention to the following sources of economic impact:

- number of persons employed by the college;
- amount of money expended by the college in salaries;
- amount of money expended by the college for locally delivered goods and services;
- amount of money expended by the college for locally produced utilities;
- amount of money expended locally by college administrators, faculty, and students;
- amount of local property taxes paid by the college.

The measurement of these economic impacts is one of the major objectives of the project. In addition, the study will consider the effect of college-related enterprises, college banking practices, and local purchases by local businesses in support of their college-related business volume. An equally important objective of the study is to

provide a model for the periodic measurement of these and other economic impacts on the local economy.

For purposes of this study, the local economy is defined as the Monmouth-Ocean County area. This area is the place of residence of more than 90% of the student body of Georgian Court College and more than 90% of the persons employed by Georgian Court College. It is, therefore, the primary service area of the college.

GEORGIAN COURT COLLEGE: A PROFILE OF THE INSTITUTION

Georgian Court College, one of two four-year institutions of higher education in the Monmouth-Ocean area, is fortuitously situated in the heart of present and projected economic growth and development. Its location presents challenges and opportunities, both of which have been the source of vitality and growth for Georgian Court College throughout its eighty year history. The highlights of that history give some idea of the pace of growth and the sustained vitality of the college. (See Chart A)

Today, Georgian Court College has an enrollment approximating a headcount of eighteen hundred students and a faculty numbering one hundred forty. The college offers bachelor of art degrees in fourteen major disciplines of the liberal arts, bachelor of science degrees in three disciplines of science, a bachelor of social work degree and a master of arts degree in education. At the1987 May Commencement ceremony the college awarded two hundred bachelor degrees and forty-nine master degrees.

Georgian Court College enrollment figures point to a steady ten-year upward trend in total enrollment, in full-time equivalent, and in total undergraduate enrollment. The Graduate School enrollment peaked in 1980, declining somewhat until 1985 when it resumed a healthy annual increase. (See Chart B)

Undergraduate day division major programs are open to women only. Undergraduate evening division and graduate school programs are open to men and women.

Financially, Georgian Court College reports a budget which has more than tripled over the past ten years. Tuition and fees represent over half of the total revenues of the college, with private gifts, grants, and contracts, the second highest source of revenue, comprising nearly one-fourth of the total income.

Instruction costs represent approximately one-fourth of total expenditures by the college, with institutional support making up the

Chart A

HISTORIC HIGHLIGHTS OF GEORGIAN COURT COLLEGE

1908 - Georgian Court founded by the Sisters of Mercy of New Jersey in North Plainfield, New Jersey, under title of Mount Saint Mary. Accredited by the State of New Jersey.

1911 - College building destroyed by fire and rebuilt within a year.

1912 - First graduating class.

1922 - Accredited by Middle States.

1924- George Jay Gould estate, bordering Lake Carasaljo in Lakewood, New Jersey, purchased to accommodate growing student body.

1925 - Mercedes Hall, a Lakewood residence, and the student chapel, the parish church of the town, moved across the fields of Lakewood to the campus.

1929 - Hamilton House purchased; the first building "outside the gates," now The Learning Center.

1931 - Kingscote acquired; presently the Administration Building.

1940 - Kearney House acquired; today the Music Center.

1951 - Farley Memorial Library completed.

1962 - Saint Joseph Hall built in response to increase in resident student population.

1964 - Arts and Science Center completed, housing classrooms, laboratories, faculty offices, instructional materials/media center, Little Theatre, and student lounges.

1967 - Maria Hall built, accommodating two hundred twelve resident students.

1974 - New wing added to the Farley Memorial Library, doubling its capacity.

1976 - Graduate School opened, one hundred thirty-four men and women enrolled.

1978 - First Georgian Court College master of arts degrees conferred.

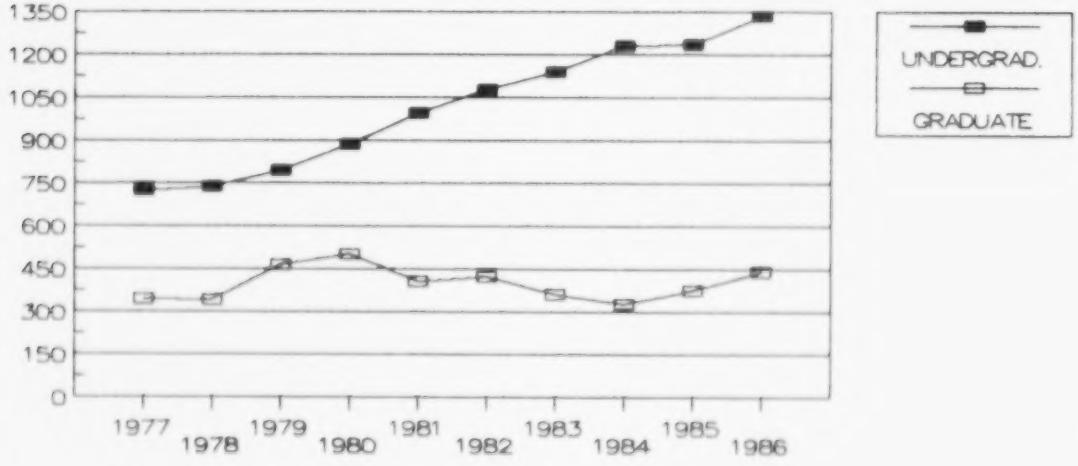
1979 - Coeducational undergraduate evening division instituted.

1985 - Entire campus designated as a National Historic Landmark.

Chart B

GEORGIAN COURT COLLEGE

ENROLLMENT STATISTICS, AY1977 – AY1986



GEORGIAN COURT COLLEGE

ENROLLMENT STATISTICS, AY1977 – AY1986

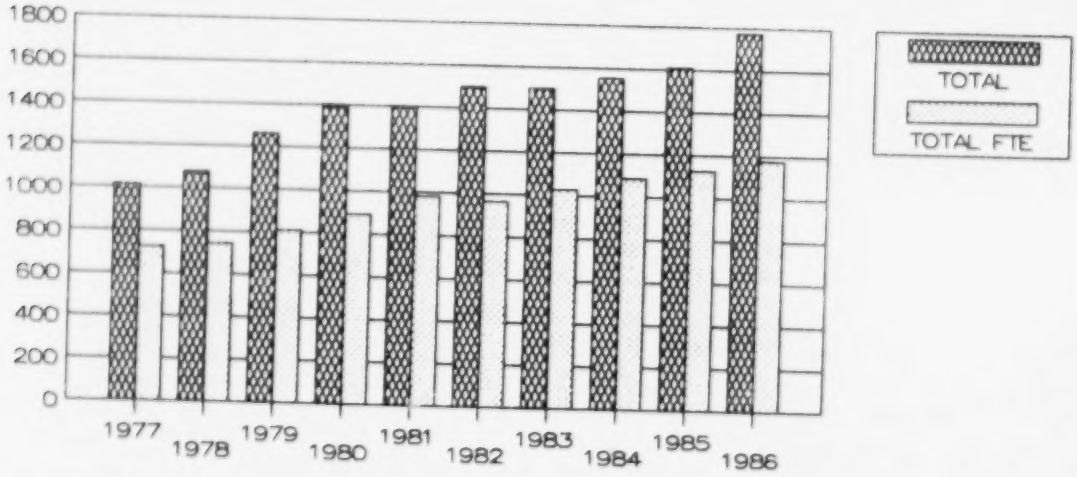
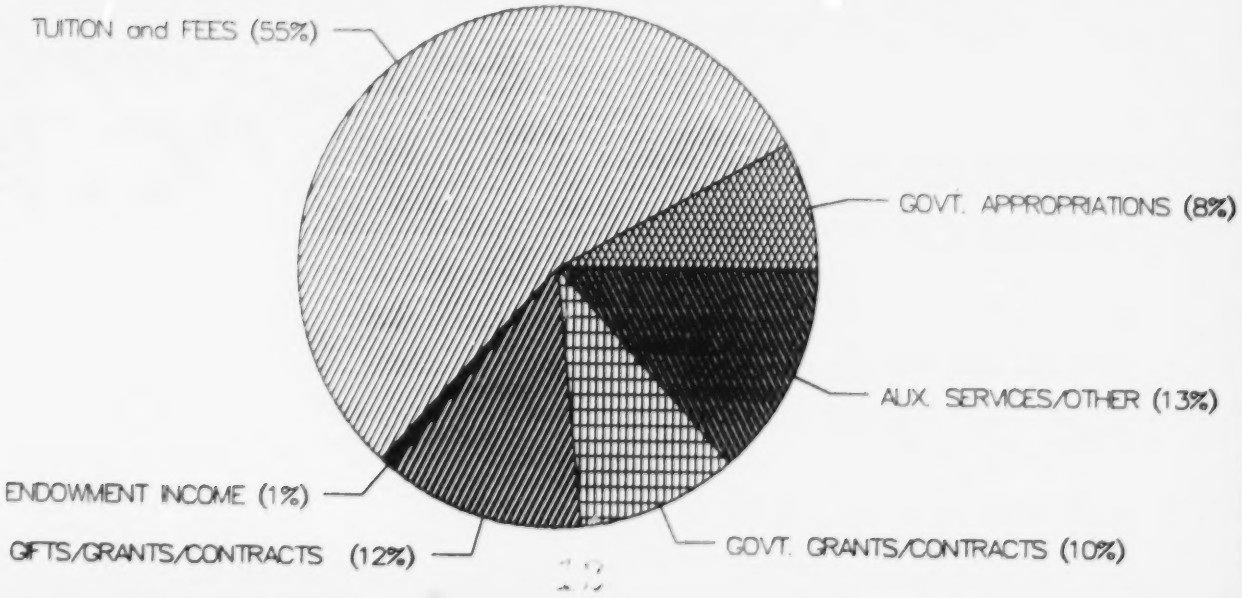


Chart C

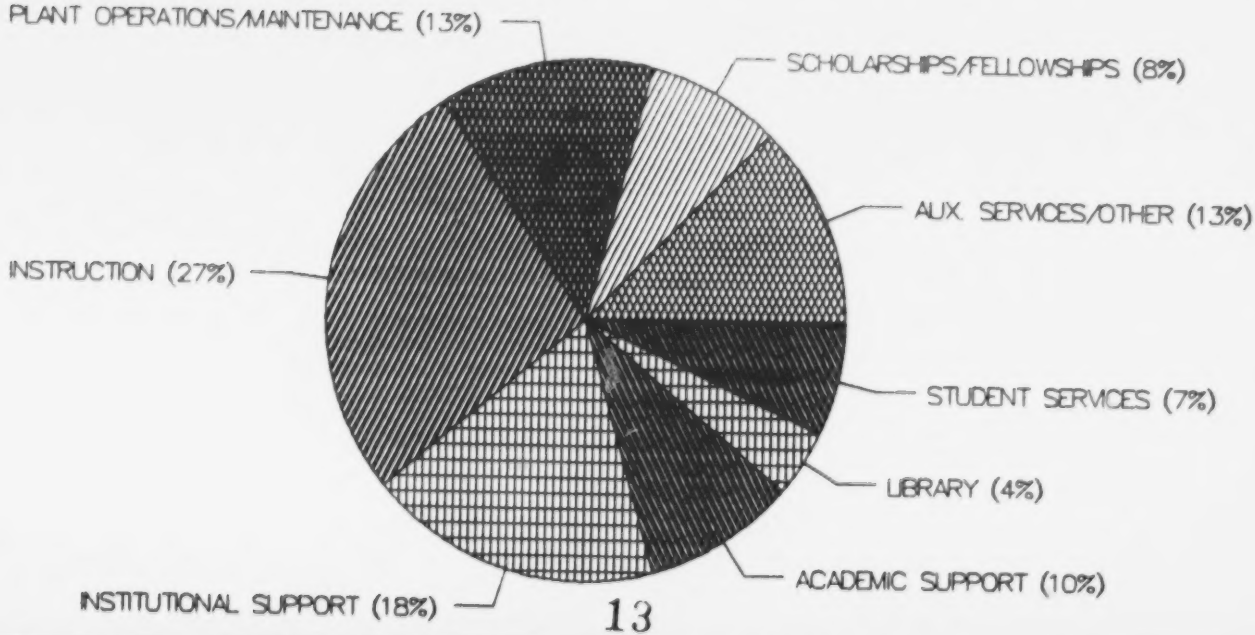
REVENUES of GEORGIAN COURT COLLEGE

FY 1986 = $7,624,226



EXPENDITURES of GEORGIAN COURT COLLEGE

FY 1986 = $7,349,071



second highest category of expenditures, an outlay of nearly one-fifth of total expenditures. (See Chart C)

The mission statement of the college (See Appendix A) does not explicitly address the matter of institutional impact on the local economy. It does, however, call the college to a commitment to values associated with social justice. In terms of this study, that call is an implicit expression of the responsibility of the college to give to as well as receive from the environment in which it functions.

MONMOUTH-OCEAN AREA: A PROFILE OF THE LOCAL AREA

The Monmouth-Ocean County area, home to over nine-tenths of the Georgian Court College community, is situated in one of the nine major growth corridors of New Jersey identified by the Urban Policy Research Institute. It covers slightly more than eleven hundred square miles, with Monmouth County measuring 471.57 square miles, and Ocean County, 638.41 square miles.

A 1985 population totaling 946,200 is expected to reach 1,028,300 in 1990; the number of households is expected to increase from 354,150 in 1985 to 394,700 in 1990. The 1985 Effective Buying Income of $13,875,891,000 is predicted to rise to $21,911,537,000; and retail sales, from $5,996,481,000 in 1985 to $9,460,110,000 in 1990.

Studies conducted by Sales and Marketing Management project that growth in these economic indicators will be significantly higher than that of the State of New Jersey as a whole. (See Chart D)

According to a 1985 Donnelly Marketing Information Services report based on United States census data, the Monmouth-Ocean income trends point to a 1990 median household income of more than triple that of 1970. (See Chart E)

Incomes in 1990, as contrasted by the New Jersey Department of Labor with incomes in 1982, will be derived in increasing numbers from professional and managerial, clerical, and service employment, with a much smaller increase in blue collar jobs. (See Chart F)

Based on a gradual increase over the past six years in the percentage of local area adults who are college graduates, and coincident with the employment growth in occupations which require a college degree, experts predict a continuing increase in the adult college graduate population of the Monmouth-Ocean area. (See Chart G)

Available statistics reveal that the demand for computer

Chart D

OVERALL GROWTH PROJECTIONS

1985 to 1990

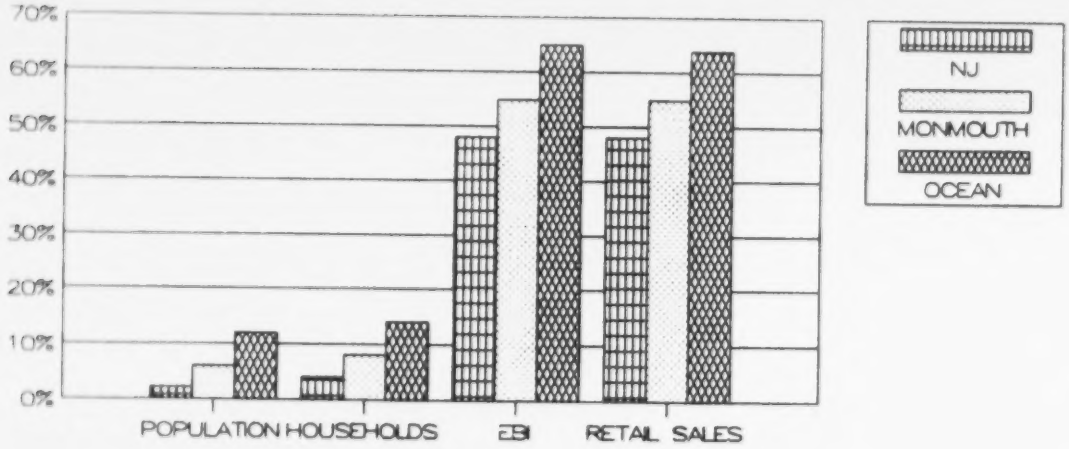


Chart E

MONMOUTH–OCEAN INCOME TRENDS

1970 to 1990

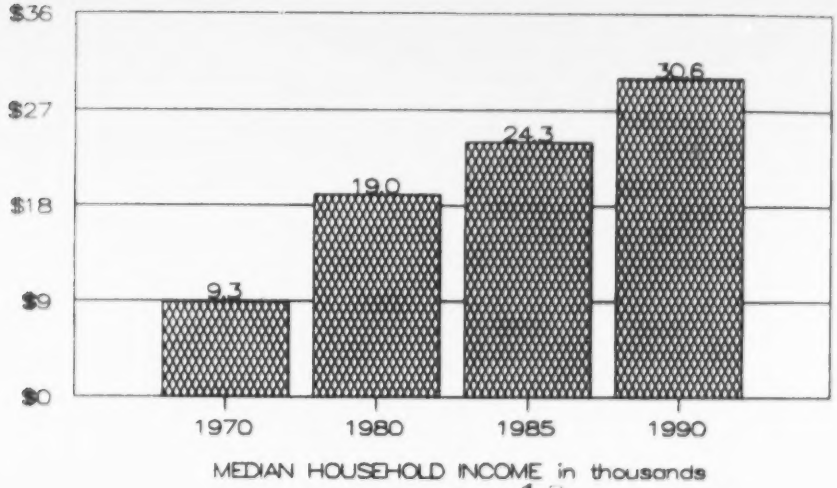


Chart F

MONMOUTH–OCEAN EMPLOYMENT TRENDS

1982 to 1990

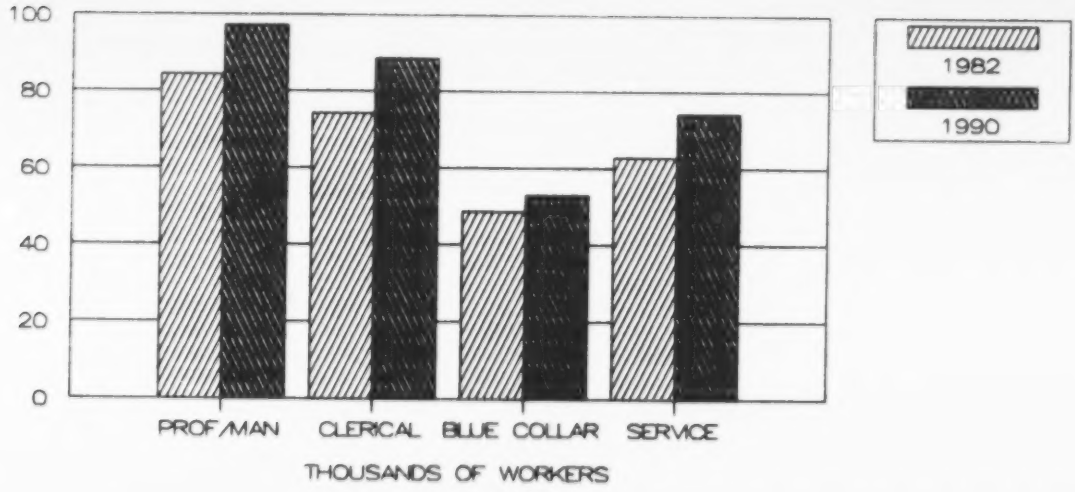


Chart G

MONMOUTH–OCEAN EDUCATION TRENDS

1980 to 1986

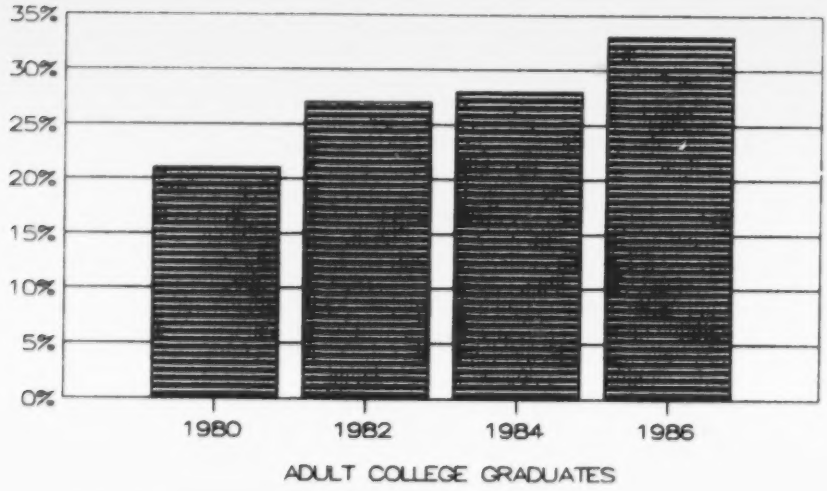


Chart H

Monmouth-Ocean Top Growth Occupations, 1983 to 1990

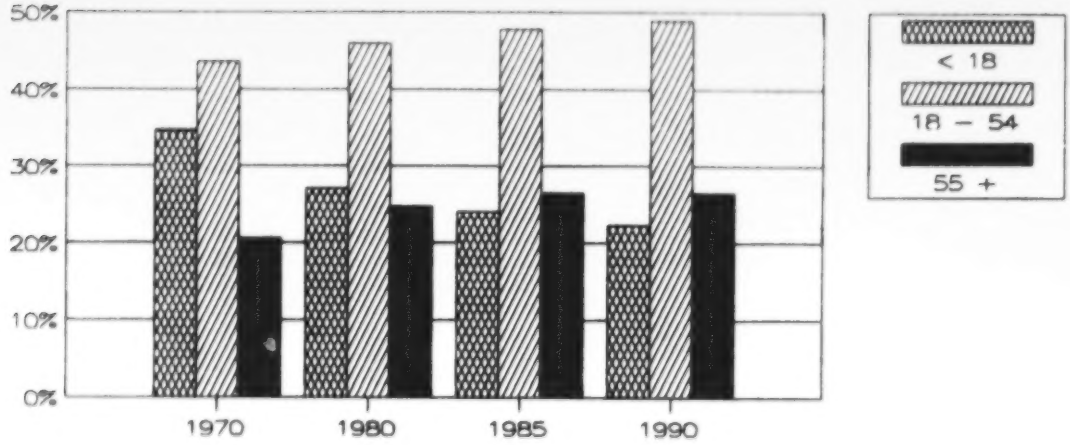
	1983	1990	Growth
Computer Specialists	1,950	2,850	46%
Medical and Dental Workers/Technicians	13,350	18,100	36%
Health Service Workers	4,650	6,200	33%
Mathematical Scientists	200	250	25%
Social Scientists	450	550	22%
Protective Service Workers	6,500	7,850	21%

NJ Dept. of Labor, 1986

Chart I

MONMOUTH—OCEAN AGE TRENDS

1970 to 1990



specialists, medical and dental workers/technicians, health service workers, mathematical scientists, social scientists and protective service workers will increase through 1990. (See Chart H)

Monmouth-Ocean age trends lead Donnelly Marketing statisticians to estimate that in 1990 approximately one-half of the total population of the area will be between 18 and 54 years of age. (See Chart I) The data on population by sex indicate that in 1990 over one-half of the population will be female, approximately 49% of whom will be between the ages of 18 and 54.

The overall growth of the two-county area, the vitality of its economy, and the particular characteristics of its profile present both challenges and opportunities for the future of Georgian Court College. It is incumbent, therefore, upon college decision-makers that they understand the reciprocal relationship between the local economy and Georgian Court College.

The college, as a participant in the economic life of the Monmouth-Ocean area, plays significant roles, which are addressed in a later section of this report.

RELATED LITERATURE: AN OVERVIEW

As a first effort to measure the economic impact of Georgian Court College, this project provides an introduction to the relevant literature. For this purpose, the document provides an annotated bibliography of selected pertinent publications, a partial listing of economic impact studies conducted at single institutions of higher education, and recommended sources of socio-economic data.

In general, it can be said that there are adequate resources available to the novice in this type of research. In particular, the 1971 study by John Caffrey and Herbert H. Isaacs, entitled Estimating the Impact of a College or University on the Local Economy, serves, in its own words, as a "general guide to consideration of the fair assessment of the economic impacts of an institution of higher education on its environment and as a specific guide to the undertaking of objective studies of the positive and negative effects of these impacts." This work is the single reference most frequently quoted by the present generation of economic impact researchers.

A second significant publication is Higher Education and the Economy, prepared in 1982 for the Pennsylvania State Board of Education and the Pennsylvania Higher Education Assistance Agency. This document contains both important theoretical background and helpful methodological information. Of special value is the inclusion of a

suggested report outline, sample questionnaires and cover letters.

On a more local level, the Handbook for Conducting a Study of the Economic Impact of a Community College, published by Brookdale Community College, New Jersey, under the direction of G. Jeremiah Ryan, provides a model impact survey format and clear, concise explanations of basic types of economic impact.

The major portion of economic impact research is directed to the impact of community colleges. Heavily dependent on both state and county funding, community colleges seek, through economic impact studies, to assure the taxpayers that the positive effect of the presence of the institution is greater than the negative effect.

Although private colleges may be relatively free of this pressure, they are motivated, as the literature points out, by other compelling reasons to conduct economic impact studies. These reasons which they, incidentally, share with community colleges are: the need for support of public opinion; the increased emphasis on institutional self-knowledge and assessment; and the on-going challenge to bolster self-esteem in a society often skeptical of the contribution of educational institutions.

The studies conducted at both two-year community colleges and four-year colleges and at both public and private colleges are worth reviewing and will increase familiarity with the terminology and alternative methods of measurement.

Monographs, bulletins, and periodic reports produced by state, county, and township offices will assist the researcher in developing a profile of socio-economic characteristics of the selected impact area. Of particular value are the statistics generated by offices responsible for planning and research, industrial development, and higher education.

Institutional archives and records prepared for accrediting groups and for federal and state agencies will yield the data necessary for profiling a college in terms of salient history and economic activity.

MULTIPLIER CONCEPT: THE EXPANSION OF MONEY SPENT

In every study reviewed in preparation for this project, a multiplier effect is factored into the total economic impact of expenditures. The multiplier is used to calculate the expansion of money through respending as the result of some initial spending from a single source. The final impact of the initial expenditure will be some multiple of that expenditure. It is based upon the percent of each dollar spent locally that is respent locally in the successive rounds of spending and is,

in part, dependent upon the size and degree of self-sufficiency of the community (Higher Education and the Economy, p. 17).

Various methods are used to determine the size of the multiplier to be applied in a given study. Among factors to be considered are the degree of dependence of a community on goods and services produced elsewhere, the number and demographic characteristics of the residents, the patterns of consumer spending, and the industrial and commercial structure of economic activity.

In explaining the multiplier effect, Caffrey and Isaacs trace a dollar through its recycling and expansion as follows:

> Approximately 35 cents of a dollar spent in local business establishments by community residents is returned to the spenders as income. The balance, approximately 65 cents, is spent by local business establishments for materials and supplies from other local enterprises (including local taxes) for goods and services produced outside the community (including nonlocal taxes). But this is only the first round of transaction. The income accruing to local residents from this initial round is partially respent in the local business community. (Some is saved; some is paid out in taxes and fees to federal, state, and local governments; and some is spent outside the community.) Again, on the average, 35 cents of the dollar spent locally is returned in some form of income. This recycling process continues with diminishing increments at each stage. Eventually, income received by local residents from the initial dollar spent totals approximately 66 cents. The ratio of total income, 66 cents, to the initial income received, 35 cents, is almost 2 to one, 1.9: 1.0.

In [the above] example, the income multiplier is 1.9 (Estimating the Impact of a College or University on the Local Economy, p. 44).

The same type of effect may also be applied to local employment and to transactions between local businesses.

For a detailed formula to calculate the multiplier, the reader is referred to the State of Pennsylvania study previously mentioned, Higher Education and the Economy.

The choice of 2.0 as the multiplier for this Georgian Court College project is based upon the experience of other New Jersey colleges and upon the advice of a study consultant.

The figure is conservative; a higher multiplier effect may be justified through the accumulation of detailed statistics and intensive analysis. However, in a choice between prolonged calculations made unfeasible by constrictions of time and the possible underestimation of expenditure repercussions, possible underestimation emerges as the appropriate choice. The multiplier of 2.0 will be applied to expenditures by Georgian Court College, and expenditures by faculty and staff and by students.

GEORGIAN COURT COLLEGE AS A PARTICIPANT IN THE LOCAL ECONOMY

AS EMPLOYER

The numerical count of persons employed by Georgian Court College is one means of describing the college as an employer. The creation of jobs is a major impact on the economy of an area.

Georgian Court College employs a total of two hundred seventy-two persons. According to figures published by the Lakewood Industrial Commission, the college is the fifth largest employer in the Township of Lakewood. The total of 272 includes 185 classified as professional/managerial; 30 classified as secretarial/clerical; 8 as blue-collar; and 49 as service workers.

One hundred seventy-five persons are employed full-time and ninety- seven persons are employed part-time by the college. Of the total number of persons employed by Georgian Court College, two hundred fifty, or 92%, reside in the Monmouth-Ocean County area.

The amount of money expended by Georgian Court College in salaries is a second means of describing the college as an employer. It is an explicit source of monies injected into the economy at large and into the local economy in particular. The 1985-86 salaries and wages paid by Georgian Court College totaled to $2,507,305, not including taxes and retirement contributions. This figure includes the salaries paid to all full-time and part-time administrators, faculty, support staff, and physical plant employees; it also includes a nominal stipend awarded to the religious community of the Sisters of Mercy who contribute services to Georgian Court College.

Eighty-eight percent of the total payroll is paid to residents of the Monmouth-Ocean area; and twelve percent, to residents outside the local area.

AS CONSUMER

The monies expended by the college itself and by its employees and students for locally produced goods, services, and utilities is a measurement of Georgian Court College activity as consumer.

College Expenditures

In 1985-86 Georgian Court College expended a total of $1,909,378 for goods and services provided by suppliers within the Monmouth-Ocean area; and in that same year the college expended a total of $226,981 for utilities produced within the bi-county area.

Combined local expenditures by the college for 1985-86 amounted to $2,136,359. Application of the multiplier (2.0) increases this total to $4,272,718.

Employee Expenditures

Local spending by employees of Georgian Court College in 1985-86 amounted to $2,026,892. This figure is based on estimates by college personnel of the percentage of annual net income spent locally: 90.5% by employees residing in the bi-county area; 7% by employees residing outside the bi-county area. The multiplier effect produces an employee local expenditure of $4,053,784.

Student Expenditures

In 1985-86 student college-related spending in the local area amounted to $1,425,080. This figure includes estimated annual costs for books, transportation, and personal needs. It does not include the cost of tuition, board, or fees. Since in most cases students purchase their books in the College Book Shop, a modification of the above total, based on 15% of book costs being spent locally, is considered to be in order. Within this modification, estimated college-related local expenditures by students in 1985-86 total to $1,133,700. The use of the multiplier (2.0) increases the amount to $2,267,400.

AS INVESTOR

Institutional deposits in local savings and demand accounts serve to expand the local credit base and position Georgian Court College as an investor. By depositing its monies in local banks, the

college makes funds available to the banks for lending transactions. Banks are required by law to keep on reserve a percentage of each type of deposit.

After deducting from deposits the amount held in reserve by the banks (as required by law), the 1985-86 credit base of the local area was expanded by Georgian Court College deposits in the amount of $1,943,593.

AS TAXPAYER

The tax assessment of Georgian Court College property is an additional type of economic impact on the local area. In 1985-86, the college paid to the Township of Lakewood taxes in the amount of $36,228.

At the same time, it must be noted that, because of the non-profit educational status of the college and based on the value of the property, approximately $370,000 in tax dollars is lost annually to the township.

The compensation for township losses resulting from the non-subsidized maintenance of Georgian Court College as a National Landmark, the minimal demand on township services, and the more general positive contribution to the economy of the town are tax-related factors not measured in this report.

AS PROVIDER OF SERVICES

The institutional business enterprises of Georgian Court College are limited to auxiliary services provided to members of the college community. They include: dormitories, dining hall, snack bar, book store, and gift shop.

Dormitories house young unmarried women who, were they not living on campus, would, in almost all cases, be either living at home or residing outside the local area. The dining hall provides meals for the residents of dormitories and a limited number of faculty; a snack bar, open approximately fifteen hours a week, provides sandwiches and beverage for small numbers of commuter students. The bookstore sells only textbooks, and the gift shop sells primarily college-customized items.

The criticism levied at some colleges and universities that their college-operated business enterprises present unfair competition for private businesses does not, therefore, apply to Georgian Court College.

SUMMARY OF ECONOMIC IMPACT MEASUREMENTS
1985-86

Economic Indicator	Measurement
Number of persons employed:	272
Residents of local area	250
Residents outside local area	22
College expenditures in salaries	$2,507,305
College local expenditures:	
Goods and services	$1,909,378
Utilities	$ 226,981
Total	$2,136,359 X Multiplier (2.0) =$4,272,718
Employee local expenditures	$2,026,892 X Multiplier (2.0) = $4,053,784
Student local expenditures	$1,133,700 X Multiplier (2.0) = $2,267,400
College property taxes	$ 36,228
Credit-based expansion	$1,943,593

CONCLUDING REMARKS: THE VALUE OF THE PROJECT

The value of this particular project to Georgian Court College depends to a large extent on its application to key college activities.

Study results have implications for recruitment, fund-raising, and public relations; the concept of economic impact itself offers opportunities for discussion by the entire academic community.

The project description of predicted changes in the Monmouth-Ocean area invites institutional adaptation of both student services and academic offerings. In general, the symbiotic relationship between the college and the local area raises probing questions for college planning.

Quantitative information reported in this study serves as a complement to the types of qualitative information being generated by other college groups through program review and student retention studies.

The commitment made by the college leadership to periodic impact studies of this type calls for evaluation and improvement of research methods and the development of an appropriate time schedule for the gathering of necessary data.

APPENDIX A

MISSION STATEMENT

The mission of Georgian Court College is to provide a liberal arts education congruent with the Roman Catholic tradition. Founded by the Sisters of Mercy of New Jersey, Georgian Court College has a special concern for women and is committed to the cultivation of scholarly study and dialogue. It aims at academic excellence, the mastery of general and specific intellectual skills and the development of a personal world-view and sense of values. The college endeavors:

- to offer a curriculum broad enough to be truly liberal, yet specialized enough to provide preparation in depth for further study and future careers;
- to create an environment in which the entire college community may grow through shared educational, cultural, social and spiritual experiences;
- to promote among the college community the will to translate concern for social justice into action.

APPENDIX B

GEORGIAN COURT COLLEGE ECONOMIC IMPACT STUDY DATA COLLECTION GUIDE

The following information is required in order to calculate the economic impact of Georgian Court College on the local area:

Information Required	Directions/Source of Information
1. Number of college employees a. full-time ____ b. part-time___	Use Higher Education Staff Information (EEO-6) Report on file in Office of Institutional Research and Planning.
2. Number of college employees who live in Monmouth-Ocean area _____	Use College Directory and address information on payroll records.
3. Total net income available to college employees a. full-time _____ b. part-time ____	Use end of fiscal year payroll records to determine total money paid directly to all college employees. Exclude dollar value of contributed services.
4. College revenues _____ and college expenditures_____	Use fiscal year audit or Fiscal Year Hegis Financial Report.
5. College expenditures for locally produced goods and services _____ a. in Monmouth-Ocean area _____ b. outside Monmouth-Ocean area _____	Include local expenditure of funds allotted to student services and student government activities.

6. College expenditures for locally produced utilities _____

   a. in Monmouth-Ocean area _____
   b. outside Monmouth-Ocean area _____

Use college business records.

Identify expenditures by addresses of vendors.

7. Amount of money spent locally by college employees _____

Survey employees to determine estimated percentage of annual income spent locally. Average the responses of full-time and of part-time employees. Average the responses of employees resident in and resident outside of local areas.

Alternative Methods:
1. Distribute detailed questionnaire asking employees to record spending by categories. (See Higher Education and the Economy for sample form.)
2. Use national or regional statistics estimating the spending patterns of persons according to sex and type of occupation.

8. Number of students_____

   a. full-time _____
   b. part-time _____

Use total headcount enrollment figures for fall semester. Use Hegis forms. Identify full-time students as students enrolled for 12 or more credit hours; identify part-time students as students enrolled for less than 12 credits.

9. Average annual college-related expenditures by student a. full-time_____ b. part-time_____	Use financial aid schedules for the academic year to determine 9-month allowances for books, supplies, and transportation costs for: single, dependent, full-time students living at home; and for part-time students. Exclude cost of tuition, board, and fees. Use full-time and part-time student enrollment figures to calculate total student college-related expenditures. Alternative Method: Distribute detailed questionnaire asking students to report spending by categories. (See Higher Education and the Economy)
10. Amount of property taxes	Use college business records.
11. Amount of tax exemption due to non-profit status of college _____	Consult municipal tax records; confer with municipal tax assessor.
12. Value of credit base expansion_____	Request information from college treasurer: amounts of funds deposited according to type of deposit. Request from state and/or local bank officials a description of current reserve requirements. Subtract required reserve from each amount deposited; total remaining sums.

ANNOTATED BIBLIOGRAPHY

Armijo, J. Frank, et al. Conducting Community-Impact Studies: A Handbook for Community Colleges. Boulder, CO: National Center for Higher Education Management, 1978. (ERIC Document Reproduction Service No. ED 160 137)

This handbook guides community colleges in preparing an economic impact study. It includes questionnaire design and examples, data tabulation and collection tools, and a bibliography.

Bowen, Howard R. Investment in Learning: The Individual and Social Value of American Higher Education. San Francisco, CA: Jossey-Bass for the Carnegie Council on Policy Studies in Higher Education, 1977.

Extracts information from over forty tables and presents an agenda for higher education based on coming needs of the nation. Bowan suggests that since higher education institutions affect most aspects of society, colleges are in a uniquely influential position.

Caffrey, John, and Isaacs, Herbert H. Estimating the Impact of a College or University on the Local Economy. Washington, DC: American Council on Education, 1971. (ERIC Document Reproduction Service No. ED 252 100)

Principle source for most other studies of economic impact. Models covering the impact of a college on local business, government, and individuals are examined. The models are linear cash-flow formulas, including only quantitative data. The rationale of these economic impact models as well as procedures for making the calculations are suggested. Calculating expenditure proportions, the concept of the multiplier, and estimating student expenditures are among the topics covered in appendices.

Coldren, Sharon L., et al. Data and Information Needs to Stimulate Effective College/City Cooperation for Community Development. Discussion Draft. Washington, DC: American Council on Education, 1981. (ERIC Document Reproduction Service No. Ed 208 756)

With less federal funding available potential cooperative

efforts between urban colleges and cities are considered. Recommendations include: updating local economic impact methodology; collecting nationwide information on the local economic impact of colleges; and preparation of materials and methods to encourage industry and college connections.

Collier, Douglas J. Program Classification Structure. Boulder, CO: National Center for Higher Education Management Systems, 1978. (ERIC Document Reproduction Service No. ED 154 712)

This structure, a set of categories and definitions, assists users in examining the operations of an institution as related to the accomplishments of its objectives.

Ewell, Peter T., and Jones, Dennis P. The Costs of Assessment. Boulder, CO: National Center for Higher Education Management Systems, 1985. (ERIC Document Reproduction Service No. ED 260 681)

Two considerations in costs of assessment are reviewed: 1) the unit of analysis and 2) what to count. Constructed cost estimates are given for: 1) small private liberal arts colleges, 2) large public research university, 3) regional comprehensive universities, and 4) community colleges.

Gay, Diane, and Weintraub, Floyd. The Economic Impact of Independent Higher Education in New York State. NY: Commission on Independent Colleges and Universities of the State of New York, 1978. (ERIC Document Reproduction Service No. ED 162 561)

Heilbron, Louis H. Relevance for Town and Gown. Oakland, CA: Western College Association, 1970. (ERIC Document Reproduction Service No. ED 046 358)

Discusses the ways higher education will have to change to accommodate to changing Town-Gown needs and demands. These changes include greater exchange between Town and Gown.

"Higher Education Amendments of 1986: What They Mean for Colleges and Students." Chronicle of Higher Education, 8 October 1986, pp. 28-29.

Implications of the Higher Education Amendments are summarized. New spending ceilings are listed in chart form.

Higher Education and the Economy: Methods and Approaches for the Conduct of an Economic Impact Study. Harrisburg, PA: Pennsylvania Economy League, Inc., 1982. (ERIC Document Reproduction Service No. ED 219 006)

Methodologies and recommendations for conducting economic impact studies for single-institutions and multi-institutions are presented. An outline of research steps, including procedures for compiling and analysing the data and suggested sources of data, is presented. Appended materials include questionnaires, a suggested study report outline, and a bibliography.

Hoy, John C., ed., and Bernstein, Melvin H., ed. Business and Academia: Partners in New England's Economic Renewal. Wellesley, MA: New England Board of Higher Education, 1981.

The connection between higher education and the health of the economy is examined in this book. It is concluded that the major role that higher education can and should play in the economic growth of a region will also revitalize the higher education institutions during times of declining enrollment. A firm working relationship between higher education and both business and government is suggested.

Konkle, James. Estimating the Economic Impact of Vermont Institutions on Their Local Economies. Vermont State Commission on Higher Education. (ERIC Document Reproduction Service No. ED 221 122)

A series of models derived from an American Council on Education publication (Caffrey-Isaacs) are presented for the use of higher education professionals in Vermont. The models are presented in the form of equations. An appendix lists the equations' variables and the data elements they represent, and suggests sources for the data. Notes on the multiplier effect are also appended.

Mallier, Tony, and Rosser, Mike. "Economic Impact Studies and Higher Education Institutions." International Journal of Institutional Management in Higher Education, March 1986, pp. 21-33.

Factors to be taken into account in studying a college's economic impact on the surrounding community are discussed, including potential errors. Calculations are explained.

Owings, Thomas G. The Whys and Hows of Economic Impact Studies and a Look at Two Recent Examples. Boone, NC: Community College Research Conference, 1975. (ERIC Document Reproduction Service No. ED 111 467)

Presents the results of two economic impact studies by the Institute of Higher Education Research and Services at the University of Alabama. The studies were of two different colleges - one, a private, predominately black, four-year liberal arts college in an urban area; the other college, a public, predominately white, two-year junior college in a rural area. Reasons for conducting an economic impact survey, and the procedures are briefly discussed.

Ryan, G. Jeremiah, Handbook for Conducting a Study of the Economic Impact of a Community College. Lincroft, NJ: Brookdale Community College, 1983.

This report is designed for New Jersey community colleges to use in connection with the corresponding study. It provides explanations of the multipliers, sources of data, and calculations of economic impact. A bibliography is included, as well as a set of model graphics for the data.

_____. A Study of the Economic Impact of the Community Colleges on the State of New Jersey. Lincroft, NJ: Brookdale Community College, 1983.

The study utilized the American Council of Education model by Caffrey and Isaacs. Submodels not pertinent to two-year community colleges were deleted. The procedures were used by seventeen New Jersey community colleges.

Smith, Phil, and Watkins, J. Foster. "Economic Impact Study: A Useful Institutional Research Tool for Developing Institutions." Planning for Higher Education, 1987, pp.39-40.

This article discusses the economic impact of Gainesville Junior College (Gainsville, Georgia) on its immediate service area. The plan of the study and a summary of its findings are examined. It concludes that such a study fills a gap in clarifying the college's role and participation in its impact area.

The Wealth of Knowledge. Higher Education's Impact on California's Economy. Commission Report 84-1. Sacramento, CA: State Postsecondary Education Commission, 1984. (ERIC Document Reproduction Service No. ED 247 833)

The contributions of California higher education to the state's economy and to its social and cultural health are discussed. Direct economic impacts of higher education are reviewed. The methodology (Caffrey-Isaacs) and assumptions employed in economic impact studies are described. Appended are descriptions of 12 studies of higher education's economic impact.

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County of Ocean, New Jersey. Ocean County, NJ: A Profile. Toms River, NJ: County of Ocean 1982.

Governor's Commission on Science and Technology. Report. Trenton, NJ: State of New Jersey, 1983.

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State of New Jersey, Department of Labor. Population Projections for New Jersey and Counties: 1990 to 2020. Trenton, NJ: State of New Jersey, 1985.

State of New Jersey, Economic Policy Council and Office of Economic Policy. 15th Annual Report. Trenton, NJ: State of New Jersey, 1983.

State of New Jersey, Economic Policy Council and Office of Economic Policy. New Jersey Profile. Trenton, NJ: the Council, 1984.

State of New Jersey, Economic Policy Council and Office of Economic Policy. 1987 Economic Outlook for New Jersey. Trenton, NJ: State of New Jersey, 1987.

U.S. Bureau of the Census. County Business Patterns, New Jersey, 1984. Washington, DC: U.S. Government Printing Office, 1986.

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Baum, Stanley. The Economic Impact of Mercer County Community College on the Local Community. Trenton, NJ: Mercer County Community College, 1978.

Campbell, William E. Montgomery College Economic Impact Study, FY 1981. Montgomery County, MD: Montgomery College Office of Institutional Research, 1982.

Doucette, Don. The Economic Impact of the Kansas Community Colleges on the Counties and State of Kansas, Fiscal 1983-84. Overland Park, KS: Johnson County Community College Office of Institutional Research, 1985.

Littlefield, William N. The Economic Impact of Long Beach City College, Fiscal 1981. Long Beach, CA: Long Beach City College, 1982.

Moisan, Leonard J. An Economic Impact Study of Liberty Baptist College on the Lynchburg Metropolitan Area. Lynchburg, VA: Liberty Baptist College, 1982.

Ryan, G. Jeremiah. The Direct Economic Impact of Brookdale Community College. Lincroft, NJ: Brookdale Community College, 1983.

Zeiss, P. Anthony. The Economic Impact of Pueblo Community College, 1985-86. Pueblo, CO: Pueblo Community College, 1986.

Georgian Court College

Lakewood Avenue • Lakewood, NJ 08701